

ORDINANCE NUMBER O- 20342 (NEW SERIES)

DATE OF FINAL PASSAGE JAN 30 2014

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING AND DIRECTING THE COUNCIL PRESIDENT, OR HIS DESIGNEE, TO EXECUTE AND DELIVER THAT CERTAIN SIXTH AMENDMENT TO LEASE, BETWEEN EXECUTIVE COMPLEX, LP, A CALIFORNIA LIMITED PARTNERSHIP COMPANY, AND THE CITY OF SAN DIEGO, WHICH AMENDMENT INCLUDES EXTENDING THE TERM OF THE LEASE AND ADJUSTING THE LEASE RENTAL RATE; AND AUTHORIZING THE CHIEF FINANCIAL OFFICER TO MAKE CERTAIN EXPENDITURES THEREFOR.

WHEREAS, the City of San Diego (City) entered into a lease, dated as of January 28, 1999, with Executive One Associates, an Illinois limited partnership (Original Landlord) for office space at 1010 Second Avenue, San Diego (Original Lease), in an office building commonly referred to as the Executive Complex. The Original Lease was amended by: (i) a First Amendment to Lease dated as of May 30, 2000; (ii) a Second Amendment to Lease dated as of May 26, 2000; (iii) a Third Amendment to Lease dated as of October 31, 2000; (iv) a Fourth Amendment to Lease dated as of November 30, 2001; (v) and a Fifth Amendment to Lease dated as of July 16, 2002; all by and between Original Landlord and City; and

WHEREAS, Executive Complex, LP, a California Limited Partnership Company (Current Landlord), became the successor in interest to the Original Landlord's interest in the Executive Complex and all leases therefor; and

WHEREAS, by separate Office Lease dated June 10, 2011, by and between Current Landlord and City (“Second Lease”), City also leased Suite 1500 in the Executive Complex; and

WHEREAS, the Original Lease, the five amendments to the Original Lease, and the Second Lease, are collectively referred to hereinafter as the “Lease.”

WHEREAS, Current Landlord and City have agreed to amend the Lease to include: extending the Lease’s term for an additional 72 months, commencing as of July 1, 2013, with a right to early terminate; adjusting the rental rate from \$1.65 per rentable square foot down to \$1.17 per rentable square foot, commencing as of July 1, 2013; providing for certain improvements to the leasehold area; providing up to \$10 per square foot for additional tenant improvements which will be amortized as additional rent over the term of the Lease at 6% per year; and providing the option of downsizing the City’s space by up to 21,045 square feet beginning in January 2014; all as more fully set forth in the proposed Sixth Amendment to Lease; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego as follows:

Section 1. That the Council President in his capacity under Charter section 265(i), or his designee, is authorized and directed to execute and deliver that certain Sixth Amendment to Lease between Executive Complex, LP, a limited partnership company, as landlord, and the City of San Diego, as tenant, and on file with the Office of the City Clerk as Document No.

OO- 20342.

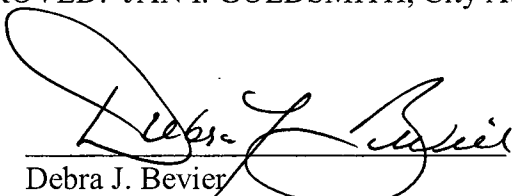
Section 2. That the Chief Financial Officer is authorized to appropriate and expend funds up to \$1,992,107.52 for rent in FY 2014, and as otherwise required by the Lease, as follows:

General Fund, Fund No. 100000 - - 85.60%;
Department of IT, Fund No. 200308 - - 7%;
Facilities Financing, Fund No. 200001 - - 5.65 %; and
Local Enforcement Agency, Fund No. 200226 - - 1.75%.

Section 3. That a full reading of this ordinance is dispensed with prior to passage, since a written copy was made available to the City Council and the public prior to the day of passage.

Section 4. That this ordinance shall take effect and be in force on the thirtieth day from and after its final passage.

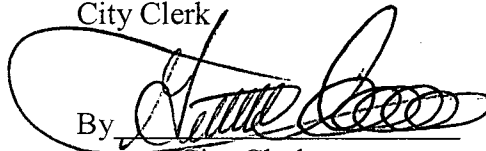
APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Debra J. Bevier
Deputy City Attorney

DJB:mm
11/18/2013
Or.Dept.: Real Estate Assets Dept.
Doc. No. 671142_2

I hereby certify that the foregoing Ordinance was passed by the Council of the City of San Diego, at this meeting of JAN 14 2014.

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved pursuant to Charter section 265(i):

(date)

TODD GLORIA, Council President

Passed by the Council of The City of San Diego on JAN 14 2014, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kevin Faulconer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JAN 30 2014.

AUTHENTICATED BY:

TODD GLORIA, COUNCIL PRESIDENT
as interim Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By [Signature], Deputy

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

DEC 10 2013

JAN 30 2014

, and on _____.

I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By [Signature], Deputy

Office of the City Clerk, San Diego, California

Ordinance Number O- 20342